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SUPREME COURT, U. S.

In the Supreme Court of the United States

OCTOBER TERM 1948.

Nos. 184 and 185.

GRAVER TANK & MFG. CO., INC.,
THE LINCOLN ELECTRIC COMPANY,
GRAVER TANK & MFG. CORPORATION,
Petitioners,

v.

THE LINDE AIR PRODUCTS COMPANY,
Respondent.

PETITIONERS' REPLY BRIEF UPON PETITION FOR WRITS OF CERTIORARI.

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September 9, 1948.

THE GATES LEGAL PUBLISHING CO., CLEVELAND, OHIO—MAIN 8647

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Three points need to be kept in mind in weighing the argument advanced by respondent Linde in its effort to shield this cause from the scrutiny of this Court:

I. FLUX CLAIMS HAVE BEEN SUSTAINED UPON PLAIN MISTAKE OF LAW.

One would suppose from a reading of respondent's brief that the judgments in review turn on issues of fact disposed of by the "concurrent findings" of two courts. Let it be remembered that of the 23 claims in issue now sustained by the Circuit Court of Appeals, 19 were declared invalid by the trial court. On the remaining four (the four composition claims which were held valid and infringed) the two courts are in agreement, but that agreement rests *not* upon facts concurrently found but upon plain mistake of law. Those four, and those resurrected by the reviewing court, rest upon a novel doctrine of patent law fashioned by the Circuit Court of Appeals that:

1. The claims may be rewritten by carrying into them the inventor's reportorial notes embraced in the specifications, the effect of which is to sweep into respondent's monopoly prior patented and unpatented fluxes, and even inoperable compounds (see petitioners' opening brief, pp. 29-31).

2. The claims so rewritten may, nevertheless, be found valid and infringed upon a spurious doctrine of equivalents the effect of which is to repeal 35 U. S. C. 33, which requires the inventor to "particularly point out and distinctly *claim*"[1] his invention (see petitioners' opening brief, pp. 31-33).

3. Where an entire class is claimed, the public may be sent to the specifications to find, by process of further experiment, the usable elements (see petitioners' opening brief, pp. 38-40).

No amount of argument about "concurrent findings"[2] can convert these or the other issues on which the case turns into questions of fact, nor disguise the public interest in a case which not only puts the law in disorder but subjects to the monopoly of a patent large segments of the public domain.

What the inventors discovered and what they sought was a new flux described in claims not charged as infringed for use in an old process (R. 908, 912). This modest contribution, by which the patentees obtained improved results through the use of an old process, has now been

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[1] Emphasis supplied throughout.

[2] Respondent reverts to the "concurrent findings" argument 28 times. Surely "the lady doth protest too much." The argument is put in its purest form in the incredible assertion on page 6 of respondent's brief, where, in face of the fact that **the bulk of the patent** (including *all* the process claims) **was declared invalid** by the trial court, it is boldly said "*All* issues of invention, anticipation, infringement, and misuse are settled by concurrent findings of the lower courts."

so enlarged that it becomes a basic patent dominating an entire industry."

II. NONEXISTENT PROCESS HAS BEEN EXPANDED INTO A BASIC PATENT.

The second point to note about respondent's brief, in weighing the argument to escape review here, is the studied effort to read back into the patent the electric arc denounced, disavowed, cancelled and abandoned in Patent Office proceedings.

This, as reflection will make clear, is a labor of necessity for respondent. In order to get the patent, the arc, as the heating instrumentality, was denounced and abandoned.[3] (See petition and opening brief, pp. 8-11 and 25-29.) It was by substituting for the arc the molten pool of flux—of which there will be a word later—"*thereby distinguishing radically* from all prior fusion-deposition electric welding processes," as the Patent Office was told (R. 85, 804), that the patentees obtained the patent.

However, to establish infringement by the Lincoln-weld process, which follows the old and expired Robinoff process—and which indubitably utilizes the arc phenomenon (see, for example, the photograph facing page 6 of the petition)—it is necessary for respondent somehow to restore to the patent the once-abandoned arc. Otherwise the patent cannot be read to cover an arc process.

Respondent's problem thus is to rewrite the patent, which, as the trial court found, describes a phenomenon (R. 915):

"which does not in point of fact exist"

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[3] "As the question is one of construction of the claim, it is immaterial whether the examiner was right or wrong in rejecting the claim as filed. • • • what the patentee • • • has disclaimed • • • cannot now be regained • • • " *Exhibit Supply Co. v. Ace Patents Corporation* (1942), 315 U. S. 126, 137; *Rowell v. Peddle* (1889), 132 U. S. 313, 316-7; *Shepard v. Carrigan* (1886), 116 U. S. 593, 598.

and of which the reviewing court, referring particularly to process claims 5, 6, and 11 through 17, said (R. 1000):

> "None of these nine claims refer in any manner to the presence or absence of an arc, either directly or by reasonable inference";

so as to reconcile it with the process as practiced, which does embrace the arc phenomenon as the trial court found[1] (R. 908, 910, 911, 912, 915, 924, Finding 7). The fundamental difficulty is that respondent has patented one process—a process existing only in the mind of patent counsel (R. 914, 915)—and it practices another. To prevail it must somehow keep one foot in the patent, the other in the arc, and maintain a neat balance the while lest it fall between the two.

The device now chosen to read the abandoned arc back into the patent, is to read the word "fluid" to mean not only "liquid" but also "gaseous" or "vaporous" (respondent's brief, pp. 15-18). Therefore, it is said (respondent's brief, p. 16) when the patent asserts that the necessary heat is generated, not by the conventional arc, but by passing an electric current "by and through a conductive melt or welding composition" and that the heat for melting the electrode is "developed in the conductive melt itself," what is meant by the term "conductive melt" is (respondent's brief, p. 16):

> "such welding composition *in its vaporous state.*"

The pertinent question is, Why does not the patent so state?

The trial court was unable to find this hidden meaning in the word "fluid." The Circuit Court of Appeals, how-

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[1] The trial court's conclusion that, except for the flux, there is no difference between Robinoff and Jones, as practiced, is confirmed by the pocketbook test. Until the expiration of Robinoff, Linde paid part of the royalties collected by it from the Jones process to the owners of Robinoff (R. 419). Robinoff headed the list of patent rights Linde purported to grant by its license (R. 402).

ever, seized upon it and on that ground reversed the trial court. As set forth in respondent's brief (pp. 17), the Circuit Court of Appeals said (R. 1,000):

> "It is clear that in this respect this court should adopt the same interpretation of the term 'conductive melt' which the applicants reasonably expected it to have when they coined it.* It is clear to us from its context in the patent, and the circumstances of its origin, clearly indicate that the applicants intended the phrase to mean, when heated to welding temperatures, in either liquid or vaporous state.
>
> This construction is quite consistent with the views expressed by experts of both plaintiff and defendants; with the Welding Handbook† of the American Welding Society, and with Webster's New International Dictionary since 1936, which defines 'fluid' to mean 'liquid or gaseous.' The specification expressly states 'that the

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* The "applicants" did not coin the term "conductive melt." It was coined for them by Union Carbide's patent solicitors (R. 884). The circumstances of its origin are set forth in a letter from R. E. Cornwell, respondent's vice president, forwarding the second application to the patentees for signature (Plfs. Exh. 15, R. 884), reading (R. 884):

> "There was some question regarding the term that should be used to cover the material called a 'flux' in the previous application. Kennedy [one of the patentees] suggested that it be called a '*fusec electrolyte*,' but this did not meet with the approval of Mr. Becket. We considered the possibilities of calling it a '*conductive slag*' or '*fused resistor*,' but it seemed advisable to call it a '*conductive melt*' * * * "

The letter further says (R. 885):

> "You will note that the welding process has been defined as a process entirely different from the arc welding process and consequently the use of the arc has been excluded throughout the application. This is also true in the case of the word 'flux' which has been replaced by the term 'conductive melt.'"

† The Welding Handbook, on which the Circuit Court of Appeals relied, in an article published by respondent upon "Submerged Melt Welding," says (Plff. Exh. 163, pp. 2-3):

> "The granulated material is the basic feature of this method of welding * * *. The material is a nonconductor of electricity when cold but in the **molten state** it becomes a highly resistant conductive medium."

> relatively high current densities which are preferably used superheat the molten metal and welding composition, making them highly fluid'."

Thus, the sole basis for the interpretation put upon the patent by the Circuit Court of Appeals is the meaning to be attributed to the word "fluid" as used in the specification. But the quotation from the specification relied upon *is incomplete.* Read in context what the specification says is (R. 958, col. 1, lines 27-34):

> "The relatively high current densities which are preferably used superheat the molten metal and welding composition, *making them highly fluid.* [This is where the Circuit Court of Appeals stopped. Had it read further it would have seen that the next sentence says:] The **liquid currents set up in this highly fluid mass** effectively mix the metal and welding composition, thereby cleansing or washing impurities out of the metal, and then completely separate the metal as it is deposited."

Manifestly, the term "fluid" is used in the patent as a synonym for "liquid." It is not used to mean "gaseous" or "vaporous." This is apparent from the second sentence of the specification quoted above.

Despite this clear meaning, which the Circuit Court of Appeals would have seen had it read further, respondent says (brief, p. 15, note) it is wrong to speak of a "molten pool" of conductive melt. "The words 'molten pool' in this context are used only by petitioners," says respondent. This is not so.

The patent throughout speaks of a fused or molten pool.[7] Aside from the word "fluid," which the Circuit

[7] In the patent the "conductive melt" is spoken of as a (R. 956, col. 1, lines 28-30) "welding composition having appropriate electrical resistant properties" which is (R. 957, col. 1, lines 73-5) "heated until it fuses and becomes conductive, **forming a subsurface pool.**" In the claims, not only is a "gaseous" or "vaporous" are not suggested, but it is said, as, for example,

(Continued on following page)

Court of Appeals seized upon, but which, as has been shown, was used to refer to a liquid or molten pool, the patent nowhere hints that a "gaseous" or "vaporous" arc was in contemplation.

Not only is the meaning now urged upon the Court inconsistent with the record, with the representations made to the Patent Office to get the patent, with the express language of the patent itself, and with the fact finding of the trial court, but, in the subsequently issued Jones Patent No. 2,152,194, it was unequivocally asserted that in the patent here in suit (R. 982, col. 1, lines 10-20):

> "The flow of current between the electrode and the work heats a region of the welding composition * * * so that it fuses and becomes a high resistance conductive path, and **this region of fused or liquid material** supplies heat to fuse the end of the electrode * * * and the edges of the plates * * *. * * * the *fused material and molten metal* **occupy the entire space** forming the welding zone."

There is no room for gas or vapor; therefore there can be no arc.

It is idle, therefore, to assert that the patent issued upon an arc process operating in "gaseous" or "vaporous" conductive melt, especially when all that can be pointed to is the word "fluid" in an isolated sentence torn from context.

(Continued from preceding page)

in claim 2 (R. 958) the current is passed "substantially wholly **through a pool** of silicates fused in situ" or, as it is put in claim 4 (R. 958) "through **a pool** of nonmetallic material fused in situ." In claim 7 (R. 959) it is said the current is passed through a circuit "comprising said electrode, **fused material**, and work piece * * * to maintain **a pool** of said nonmetallic material in contact with said electrode," and, as put in claim 9 (R. 959) "maintaining said **fused pool**." Similarly, in both claims 26 and 27 (R. 960) the welding composition is referred to as "**conductive when molten**."

Still less, can there be found in the patent specification or claims any disclosure of an arc "sheathed by a mantle," or of a conductive arc area "composed predominantly of vaporous welding composition," which it now is said (respondent's brief, pp. 13-14) constitute the "two unique features" of the invention. Therefore the patent in any event falls for want of compliance with the statute, 35 U. S. C. 33. *Permutit Co. v. Graver Corporation* (1934), 284 U. S. 52, 60. (See petitioners' opening brief, p. 34.)

The judgment of the Circuit Court of Appeals thus rests on plain mistake of law, based upon an erroneous reading of the patent grant. The result is to rewrite and issue to Linde a basic patent upon an entire industry swallowing up all that was old at least as far back as Robinoff.

If this may be done, then the patentees have discovered a way to talk to the Patent Office from one side of the mouth and to the public from the other—to its cost, up to the time the record closed, of $6,000,000.

III. THE WHOLE HAS BEEN IMPLEMENTED BY UNLAWFUL TYING AGREEMENTS.

If Lincoln, who remains respondent's sole competitor[8] in the field of submerged arc welding, is to be barred from the practice of the old Robinoff submerged arc process by writing into Jones the very element which was disclaimed in order to distinguish from prior art, then respondent Linde will have regimented an industry. The whole is made secure by the elaborate system of license agreements and rod purchase contracts, separately executed, binding licensees to purchase from respondent Linde their entire requirements of unpatented weld rod for use in the process.[9]

[8] Respondent's licensees (see respondent's brief, pp. 25-6) obviously cannot contest the patent.

[9] The misuse issue respondent elevates, and perhaps rightly, to a position of first importance (pp. 3-5 of respondent's brief) and to which, once disposed of it, like a troubled conscience, returns four times (see respondent's brief pp. 6, 22, 23 and 24). Where there is that much smoke, there well may be fire.

It will not do to pass this off, as does respondent, as a dispute of fact. It is not. The facts are undisputed. They are *admitted* (see petitioners' opening brief, pp. 40 f., R. 404-7, 420 f., 26). The undenied and undeniable fact is that once the customer has accepted the license and signed the rod purchase contract, there is established an agreement that he will not thereafter use or deal in the commodities of a competitor. Clearly this is the effect (see the granting clause of the license and the provisions of the rod purchase contract set forth in petitioners' opening brief, pp. 40 f., notes 6 and 7) despite respondent's studied effort to put a different light upon it.[10]

The fact that the tying result is achieved by two instruments instead of one would seem to be immaterial.

Here, as in *Morton Salt Co. v. G. S. Suppiger Co.* (1942), 314 U. S. 488, 490:

> "The question we must decide is not necessarily whether respondent has violated the Clayton Act, but whether a court of equity will lend its aid to protect the patent monopoly when respondent is using it as the effective means of restraining competition with its sale of an unpatented article."

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[10] See, for example, the testimony of R. E. Cornwell, respondent's executive in primary charge of the exploitation of the patent (R. 421):

> "Q. Well, your current instructions to your salesmen are to avoid having the contract and the license executed the same day, aren't they?
>
> A. I think they have been under instructions right along.
>
> Q. What is the purpose of that?
>
> A. I could not tell you.
>
> Q. Don't you know perfectly well what the reason for that instruction is?
>
> A. Yes, I presume so.
>
> Q. All right. Now tell us.
>
> A. Just so that no one could gain any inference that there was any connection between the two.
>
> Q. In other words, it is to avoid the appearance of a tie-in agreement, isn't it?
>
> A. That is correct."

CONCLUSION.

Questions of grave importance have been decided by the judgments in review to the incalculable prejudice of the patent system, of the public, and the future development of an important art. They should have the attention of this Court.

Respectfully submitted,

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September 9, 1948.